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## **INTRODUCTION**

Crawford County Prosecuting Attorney (PA) had a contract with the Michigan Family Independence Agency (FIA) to establish paternity and to obtain support orders for all cases where the Crawford County PA had jurisdiction. The Crawford County PA billed FIA monthly under the actual cost reimbursement billing method. FIA reimbursed Crawford County PA for their costs based on the Federal IV-D Program regulations.

## **SCOPE**

We performed an audit of the costs submitted for reimbursement by the Crawford County PA for the period October 1, 2000 through September 30, 2001. We performed the audit tests that we determined were necessary to determine if the costs charged were proper, accurate, documented, and charged in accordance with the terms of the contract.

## **EXECUTIVE SUMMARY**

Based on our audit, we concluded that the costs charged were proper, accurate, documented, and charged in accordance with the terms of the contract, with the following exceptions. The 100% child support staff person did not prepare the required time certification. The assistant prosecutor did not sign and date, and in some instances provide the case detail on, the Personnel Activity Reports (PAR). The budget IV-D staff % vs. the actual IV-D staff % was used to calculate other direct costs. We found that the PA was overpaid \$808; the Office of Child Support indicated that a recoupment letter is being sent.

Our report recommends the Family Independence Services Administration require that the PA meet the appropriate time documentation requirements and use the appropriate IV-D staff % to calculate the other direct costs.

## **PA Response**

The PA did not respond to the draft report.

## **FINDINGS**

### **Overpayment**

1. The PA was overpaid \$808. The overpayment appeared to be related to amended billings submitted by the PA. The Office of Child Support indicated that a recoupment letter is being sent to the PA in order to recover the overpayment.

### **Assistant PA Preparation of PAR**

2. The Crawford County assistant PA did not sign and date the PAR in accordance with PA Letter 99-004. Also on some days the case detail was not listed on the PAR. There was other documentation to support the time billed; therefore no adjustment was made in the audit.

### **100% Child Support Staff Time Certification**

3. The child support staff person charged 100% of her time to child support activities but did not prepare the required certification. PA Letter 99-004 requires an employee to certify that in fact 100% of their time was spent on child support activities. No time was disallowed in this audit because it appeared that the child support staff person only worked on child support activities.

### **Budgeted IV-D Staff % Used to Bill Other Direct Costs**

4. The PA incorrectly used the budgeted IV-D staff % to calculate other direct costs. Because it is an actual cost contract, the actual IV-D % for each month should have been used to calculate the cost. No adjustment was made in the audit

because any adjustment would have been offset by some other billing errors that had been made.

WE RECOMMEND the Family Independence Services Administration require that the PA meet the appropriate time documentation requirements and use the appropriate IV-D staff % to calculate the other direct costs.